Received By: pkahler

### 2005 DRAFTING REQUEST

Bill

Received: 09/29/2004

Wanted: As time permits				Identical to LRB:			
For: Administration-Budget 6-8219				By/Representing: Fath			
This file n	nay be shown	to any legislator	: NO		Drafter: pkahler		
May Cont	act:				Addl. Drafters:		
Subject:	Public A	Assistance - Wis	works		Extra Copies:		
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Pre Topi	e:				~		-
DOA:	Fath, BB0117	-					
Topic:							
W-2 Trial	Jobs Plus pilo	ot project					
Instructi	ons:				-		
See Attac	hed						
Drafting	History:						
Vers.	Drafted	Reviewed	Typed	Proofed	Submitted	<u>Jacketed</u>	Required
/?	pkahler 09/30/2004	wjackson 10/15/2004 wjackson 10/25/2004					State
/P1			rschluet 10/25/2004	4	sbasford 10/25/2004		State
/1	pkahler 01/13/2005	wjackson 01/13/2005	rschluet 01/14/2003	5	mbarman 01/14/2005		State
/2	pkahler 01/25/2005	wjackson 01/26/2005	pgreensl 01/27/2003	5	sbasford 01/27/2005		

FE Sent For:

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Received By: pkahler

### 2005 DRAFTING REQUEST

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Received: 09/29/2004

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For: Administration-Budget 6-8219				By/Representing: Fath				
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### 2005 DRAFTING REQUEST

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FE Sent For:

Received: 09/29/2004				Received By: pkahler				
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/P1		/Wj.113	rschluet 10/25/200		sbasford 10/25/2004			

#### 2005 DRAFTING REQUEST

Bill

Received By: pkahler Received: 09/29/2004

Identical to LRB: Wanted: As time permits

For: Administration-Budget 6-8219 By/Representing: Fath

This file may be shown to any legislator: NO Drafter: pkahler

Addl. Drafters: May Contact:

Extra Copies: Subject: **Public Assistance - Wis works** 

Submit via email: NO

Pre Topic:

DOA:.....Fath, BB0117 -

Topic:

W-2 Trial Jobs Plus demonstration project

**Instructions:** 

See Attached

**Drafting History:** 

Reviewed Submitted Required Vers. **Drafted** Typed Probfed Jacketed

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/PI WLj 10/25

pkahler

FE Sent For:

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### 2003-05 Budget Bill Statutory Language Drafting Request

• Topic: W-2 Trial Jobs Plus Demonstration Project

Tracking Code: (Assigned by Government Operations Team)

• SBO team: Education

SBO analyst: Erin FathPhone: 266-8219

• Email: erin.fath@doa.state.wi.us

Agency acronym: DWD

Agency number: 445

Date:

September 28, 2004

To:

Steve Miller

From:

Erin Fath 45

Subject:

Statutory Language Request

#### DIN 5510: W-2 Trial Jobs Plus Demonstration Project

Create a new statutory provision that:

- 1. Authorizes the Department of Workforce Development (DWD) to implement and administer a Trial Jobs Plus demonstration project that shall serve up to 1,000 participants:
  - Over an 18 month period (from January 1, 2006 through June 30, 2007);
  - In at least one W-2 region in Milwaukee County and at least two W-2 geographic regions that are not in Milwaukee County
- 2. Specifies that W-2 agencies, employers and participants involved in the Trial Jobs Plus demonstration project are subject to the requirements and provisions under s.49.147(2), with the following exceptions:
  - The wage subsidy paid by the W-2 agency shall reimburse the employer for the monthly cost of the participant's wages, not to exceed the federal minimum wage and not to exceed 30 hours of wages per week, and applicable social security taxes, unemployment insurance contributions and worker's compensation premiums; and
  - The participant may participate in a Trial Jobs plus placement for a maximum of 6 months, with an opportunity for a 3-month extension.

As a starting point, the drafter may wish to use the language for 2003 AB 921 [lrb-4001/5]. The language in that bill is consistent with this request to create a Trial Jobs Plus demonstration project **a** to be administered by DWD.

- The language in AB 921 would have to be modified to reflect the new time frame during which this demonstration project would occur (1/1/06 through 6/30/07, instead of 7/1/04 through 12/31/05).
- The drafter should <u>exclude</u> the language related to release of funds from the joint committee on finance for a TJP demonstration project (this is created as a non-statutory provision in 2003 AB 921).

If you have any questions, please call me at 6-8219, or send me an email at <a href="mailto:erin.fath@doa.state.wi.us">erin.fath@doa.state.wi.us</a>.

Thank you.

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Date (time) needed

500	N

LRB-0335/P1

## DOA BUDGET DRAFT



PJK:WLJ:

Use the appropriate components and routines developed for bills.

>>FOR 2005-07 BUDGET — NOT READY FOR INTRODUCTION<<	
An Act [DO NOT generate catalog]; <b>relating to:</b> the budget	$\checkmark$
Analysis by the Legislative Reference Bureau	
If titles are needed in the analysis, in the component bar:  For the main heading, execute:  For the subheading, execute:  For the sub-subheading, execute:  For the analysis text, in the component bar:  For the text paragraph, execute: $create \rightarrow anal: \rightarrow title: \rightarrow sub-sub-sub$	
1 Health and human services & Wisconsin Works &	/

LPG: Please proof amended stats. W folio.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION #.

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## 2003 ASSEMBLY BILL 921

March 2, 2004 – Introduced by Representatives Huebsch, Jeskewitz, Zepnick, Gunderson, Miller, Montgomery, Shilling, Sinicki and Taylor, cosponsored by Senators Roessler, Darling, Moore, Plale, Robson and Jauch. Referred to Committee on Children and Families.

AN ACT to repeal 227.01 (13) (zL); to amend 49.148 (1m) (a), 49.148 (1m) (b), 49.155 (1m) (a) 3., 71.07 (2dx) (b) 2., 71.07 (2dx) (b) 3., 71.07 (2dx) (b) 4., 71.07 (2dx) (b) 5., 71.28 (1dx) (b) 2., 71.28 (1dx) (b) 3., 71.28 (1dx) (b) 4., 71.28 (1dx) (b) 5., 71.47 (1dx) (b) 2., 71.47 (1dx) (b) 3., 71.47 (1dx) (b) 4. and 71.47 (1dx) (b) 5.; to create 49.147 (3) (d) and 227.01 (13) (zL) of the statutes; and to affect 2003 Wisconsin Act 33, section 9159 (4f); relating to: a trial jobs plus demonstration project under the Wisconsin Works program.

Analysis by the Legislative Reference Bureau

The Wisconsin Works (W-2) program under current law provides work experience and benefits for low-income custodial parents who are at least 18 years old, as well as job search assistance to noncustodial parents who are required to pay child support, to minor custodial parents, and to pregnant women who are not custodial parents. Also, an individual who is the parent of a child under the age of 13 or, if the child is disabled, under the age of 19, is eligible for a child care subsidy under the W-2 program if the individual needs child care services in order to participate in various educational or work activities. The W-2 program, which is funded with federal Temporary Assistance for Needy Families (TANF) block grant moneys, federal child care block grant moneys, and state general purpose revenue, is administered by the partment of Workforce Department DWD, which in turn contracts with W-2 agencies to administer the program on the local level.

The work components under W-2, called employment positions, consist of three categories: 1) trial jobs, under which an individual receives at least minimum wage from an employer and the W-2 agency pays a wage subsidy of up to \$300 per month to the employer; 2) community service jobs, under which an individual works in a project that serves a useful public purpose or that will generate revenue to wholly or partially offset the project's cost and receives a monthly grant of up to \$673 from the W-2 agency; and 3) transitional placements, under which an individual participates in work activities in a community rehabilitation program, a job similar to a community service job, or volunteer activities and receives a monthly grant of up to \$628 from the W-2 agency. Employers for all employment positions must meet criteria established by DWD by rule, and all participants in all employment positions must search for unsubsidized employment the entire time that they are participating in any W-2 employment position. Also under current law, DWD is directed to continue the creation and implementation of a subsidized work program.

This bill eliminates the directive to DWD to continue the creation and implementation of a subsidized work program and requires DWD to conduct, from the program. The demonstration project must be limited to no more than the project the state that DWD has established for administration of the way program by each of the W-2 agencies and to no more than 1,000 participants. Under the project, a W-2 agency pays a wage subsidy, as well as reimbursing up to 100 percent, of federal social security taxes, state and federal unemployment contributions, and worker's compensation insurance premiums, to an employer that employs a project participant and that agrees to make a good faith effort to retain the participant as an unsubsidized employee after the wage subsidy ends if the participant successfully completes participation in the trial job plus. If the employer does not retain the participant, the employer must serve as an employment reference for the participant or provide a written performance evaluation of the participant, including recommendations for improvement. The wage subsidy may not exceed the

The bill requires DWD to request funding for the project from the Joint Committee on Finance and, along with the request, to detail the proposed project budget, how the project will be implemented, and the criteria that will be used to select the participants. In addition, on or about January 1, 2005, July 1, 2005, and March 1, 2006, who must submit reports to the legislature that describe the project participants, how many were offered permanent jobs by their trail jobs plus employers, the average cost per participant, a follow—up on the employment status of each participant after he or she leaves the project, and an accounting of the expenditures under the project.

federal minimum wage for no more than 30 hours of work per week, and any required training activities are counted toward the participant's work hours. An individual may participate in a trial job plus for up to six months, with a possible three-month

September 1,2007, to

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June 30,0007 Insut

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

# The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

**Section 1.** 49.147 (3) (d) of the statutes is created to read:

49.147 (3) (d) Trial jobs plus demonstration project. The department shall January 1,2006 conduct a demonstration project for a trial jobs plus program that includes the following features:

1. The project is limited to more than Nothing geographical areas established by the department under \$.49,143 (6) what to no more than 1,000 participants 3-6

- 2. Except as otherwise provided in this paragraph, all provisions of the statutes that apply to the trial job program or a trial job under this subsection apply to the demonstration project or a trial job plus under this paragraph, including eligibility requirements.
- 3. An employer that employs a participant under this paragraph and receives a wage subsidy shall agree to make a good faith effort to retain the participant as a permanent unsubsidized employee after the wage subsidy ends if the participant successfully completes participation in the trial job plus. An employer shall also agree that, if the employer does not retain a participant as a permanent unsubsidized employee, the employer will serve as an employment reference for the participant or provide to the Wisconsin Works agency or intermediary under subd. 4. a written performance evaluation of the participant, including recommendations for improvements.
- 4. The Wisconsin Works agency may contract with an intermediary that acts as any of the following:

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1	a. A placement agency.
2	b. An employer of record of a participant under this paragraph.
3	c. A provider of supportive services, including coaching, mentoring, counseling,
4	or job placement services.
5)	5. Subject to subd. 3., the Wisconsin Works agency or intermediary under subd.
5 6	4. pays an employer that employs a participant under this paragraph a wage subsidy
7	that does not exceed the federal minimum wage for no more than 30 hours of work
$\widehat{8}$	per week. In addition, the Wisconsin Works agency or intermediary reimburses the
9	employer for up to 100 percent of all of the following costs that are attributable to
10	employment of the participant:
11	a. Federal social security taxes.
12	b. State and federal unemployment contributions or taxes, if any.
13	c. Worker's compensation insurance premiums, if any.
14	6. Training activities prescribed by the employer under par. (am) consistent
15	with training provided to other employees at the worksite are considered work for
16	purposes of calculating the wage subsidy.
17	7. Participation by an individual in a trial job plus is limited to 6 months with
18	a possible extension of up to 3 months.
19	8. Notwithstanding the ending date for the project, for any participant who is
20	accepted into the program before December 32,2005, payments under subd. 5. shall
21	be made until the participant completes his or her participation in the trial job plus.
22	<b>SECTION 2.</b> 49.148 (1m) (a) of the statutes is amended to read:
23	49.148 (1m) (a) A custodial parent of a child who is 12 weeks old or less and

who meets the eligibility requirements under s. 49.145 (2) and (3) may receive a

monthly grant of \$673 unless another adult member of the custodial parent's

Wisconsin works Works group is participating in, or is eligible to participate in, a Wisconsin works Works employment position or is employed in unsubsidized employment, as defined in s. 49.147 (1) (c). A Wisconsin works Works agency may not require a participant under this subsection to participate in any employment positions. Receipt of a grant under this subsection does not constitute participation in a Wisconsin works Works employment position for purposes of the time limits under s. 49.145 (2) (n) or 49.147 (3) (c) or (d) 7., (4) (b), or (5) (b) 2. if the child is born to the participant not more than 10 months after the date that the participant was first determined to be eligible for assistance under s. 49.19 or for a Wisconsin works SECTION 3. 49.148 (1m) (b) of the statutes is amended to read: Works employment position.

49.148 (1m) (b) Receipt of a grant under this subsection constitutes participation in a Wisconsin works Works employment position for purposes of the time limits under ss. 49.145(2)(n) and 49.147(3)(c) or (d) (d), (d), or (dthe child is born to the participant more than 10 months after the date that the participant was first determined to be eligible for assistance under s. 49.19 or for a Wisconsin works Works employment position unless the child was conceived as a result of a sexual assault in violation of s. 940.225 (1), (2), or (3) in which the mother did not indicate a freely given agreement to have sexual intercourse or of incest in violation of s. 944.06 or 948.06 and that incest or sexual assault has been reported to a physician and to law enforcement authorities.

**SECTION 4.** 49.155 (1m) (a) 3. of the statutes is amended to read:

49.155 (1m) (a) 3. Work in a Wisconsin works Works employment position, including participation in job search, orientation, and training activities under s.

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SECTION 4

1	49.147 (2) (a) and in education or training activities under s. 49.147 (3) (am) or (d),
2	(4) (am), or (5) (bm).

**SECTION 5.** 71.07 (2dx) (b) 2. of the statutes is amended to read:

71.07 (2dx) (b) 2. The amount determined by multiplying the amount determined under s. 560.785 (1) (b) by the number of full-time jobs created in a development zone and filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid under s. 49.147 (3) (d) 5. for those jobs.

**SECTION 6.** 71.07 (2dx) (b) 3. of the statutes is amended to read:

71.07 (2dx) (b) 3. The amount determined by multiplying the amount determined under s. 560.785 (1) (c) by the number of full-time jobs created in a development zone and not filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid under s. 49.147 (3) (d) 5. for those jobs.

**SECTION 7.** 71.07 (2dx) (b) 4. of the statutes is amended to read:

71.07 (2dx) (b) 4. The amount determined by multiplying the amount determined under s. 560.785 (1) (bm) by the number of full-time jobs retained, as provided in the rules under s. 560.785, excluding jobs for which a credit has been claimed under sub. (2dj), in an enterprise development zone under s. 560.797 and for which significant capital investment was made and by then subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid under s. 49.147 (3) (d) 5. for those jobs.

**SECTION 8.** 71.07 (2dx) (b) 5. of the statutes is amended to read:

71.07 (2dx) (b) 5. The amount determined by multiplying the amount determined under s. 560.785 (1) (c) by the number of full-time jobs retained, as

provided in the rules under s. 560.785, excluding jobs for which a credit has been claimed under sub. (2dj), in a development zone and not filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid under s. 49.147 (3) (d) 5 for those jobs.

**SECTION 9.** 71.28 (1dx) (b) 2. of the statutes is amended to read:

71.28 (**1dx**) (b) 2. The amount determined by multiplying the amount determined under s. 560.785 (1) (b) by the number of full-time jobs created in a development zone and filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid under s. 49.147 (3) (d) 5. for those jobs.

**SECTION 10.** 71.28 (1dx) (b)  $3.\sqrt{}$  of the statutes is amended to read:

71.28 (1dx) (b) 3. The amount determined by multiplying the amount determined under s. 560.785 (1) (c) by the number of full-time jobs created in a development zone and not filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid under s. 49.147 (3) (d) 5. for those jobs.

**SECTION 11.** 71.28 (1dx) (b) 4. of the statutes is amended to read:

71.28 (**1dx**) (b) 4. The amount determined by multiplying the amount determined under s. 560.785 (1) (bm) by the number of full-time jobs retained, as provided in the rules under s. 560.785, excluding jobs for which a credit has been claimed under sub. (1dj), in an enterprise development zone under s. 560.797 and for which significant capital investment was made and by then subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid under s. 49.147 (3) (d) 5. for those jobs.

**SECTION 12.** 71.28 (1 dx) (b) 5 of the statutes is amended to read:

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Section 12

71.28 (1dx) (b) 5. The amount determined by multiplying the amount determined under s. 560.785 (1) (c) by the number of full-time jobs retained. as provided in the rules under s. 560.785, excluding jobs for which a credit has been claimed under sub. (1dj), in a development zone and not filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid under s. 49.147 (3) (d) 5. for those jobs.

**SECTION 13.** 71.47 (1dx) (b) 2. of the statutes is amended to read:

71.47 (**1dx**) (b) 2. The amount determined by multiplying the amount determined under s. 560.785 (1) (b) by the number of full-time jobs created in a development zone and filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid under s. 49.147(3)(d) 5. for those jobs.

**SECTION 14.** 71.47 (1dx) (b) 3. of the statutes is amended to read:

71.47 (**1dx**) (b) 3. The amount determined by multiplying the amount determined under s. 560.785 (1) (c) by the number of full-time jobs created in a development zone and not filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid under s. 49.147(3)(d) 5. for those jobs.

**SECTION 15.** 71.47 (1dx) (b) 4. of the statutes is amended to read:

71.47 (1dx) (b) 4. The amount determined by multiplying the amount determined under s. 560.785 (1) (bm) by the number of full-time jobs retained, as provided in the rules under s. 560.785, excluding jobs for which a credit has been claimed under sub. (1dj), in an enterprise development zone under s. 560.797 and for which significant capital investment was made and by then subtracting the

employment.

1	subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid
2	under s. $49.147(3)(d) 5$ for those jobs.
3	<b>SECTION 16.</b> 71.47 (1dx) (b) 5. of the statutes is amended to read:
4	71.47 (1dx) (b) 5. The amount determined by multiplying the amount
5	determined under s. 560.785 (1) (c) by the number of full-time jobs retained, as
6	provided in the rules under s. 560.785, excluding jobs for which a credit has been
7	claimed under sub. (1dj), in a development zone and not filled by a member of a
8	targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or
9	the subsidies and reimbursements paid under s. 49.147 (3) (d) 5. for those jobs.
10	<b>SECTION 17.</b> 227.01 (13) (zL) of the statutes is created to read:
11	227.01 (13) (zL) Relates to the trial jobs plus demonstration project under s.
12	49.147 (3) (d).
13)	SECTION 18. 227.01 (13) (zL) of the statutes, as created by 2002 Wisconsin Act
<u> </u>	(this act), is repealed.
15	SECTION 19. 2003 Wisconsin Act 33, section 9159 (4f) is repealed.
16	Section 20. Nonstatutory provisions.
<del>1</del> 7	(1) REPORTS ON TRIAL JOBS PLUS DEMONSTRATION PROJECT. On or about Lawrence
<b>18</b> )	July 1, 2005, and March 1, 2006, the department of workforce development
19	shall submit a report to the legislature in the manner provided under section 13.172
20	(2) of the statutes that details the following information about the demonstration
21	project under section 49.147 (3) (d) of the statutes, as created by this act:
22	$J_{(a)}$ A profile of the participants, including identifiable barriers to their

(b)	The success of the Wisconsin	n Works	agencies	involved	in the	project in
meeting	the performance standards o	establish	ed under	section	49.143	(3) of the
statutes.						

- (c) The number of participants offered unsubsidized employment by their trial jobs plus employers.
  - (d) The average cost per participant placement in a trial job plus.
- (e) A follow-up on the employment status of each individual after the conclusion of his or her participation in the project, including whether the individual is employed in unsubsidized employment or participating in another job or placement under the Wisconsin Works program.
- (f) An accounting of expenditures under the project, including administration expenses, intermediary contract costs under section 49.147 (3) (d)  $\overset{\checkmark}{4}$ . of the statutes, as created by this act, reimbursements and wage subsidies under section 49.147 (3) (d) 5. of the statutes, as created by this act, and any other project–related expenses.
- (2) Request for release of funds. Within 30 days after the effective date of this subsection, the department of workforce development shall request the joint committee on finance to take action under section 13.10 of the statutes to release moneys from the appropriation account under section 20.865 (4) (m) of the statutes to fund the demonstration project under section 49.147 (3) (d) of the statutes, as created by this act. In addition to providing an accounting of the proposed budget, the request shall detail the goals of the demonstration project and the department's strategy for implementation and shall provide an explanation of the criteria that the Wisconsin Works agencies will use to select the project's participants.

D-vota

JOBS PLUS RULES EXCLUSIONO

#### 2005-2006 DRAFTING INSERT FROM THE LEGISLATIVE REFERENCE BUREAU

#### INSERT A-1

and must be conducted in at least one of the geographical areas of the state established for administering the W-2 program that is located in Milwaukee County and in at least two of those geographical areas that in not in Milwaukee County (END OF INSERT A-1) INSERT 3-6 and is conducted in at least one of the geographical areas established by the department under s. 49.143 (6) in Milwaukee County and in at least 2 of those geographical areas that are not in Milwaukee County (END OF INSERT 3-6) SECTION 9154. Nonstatutory provisions; workforce development. (END OF INSERT 9-6) INSERT 11-1 SECTION 9341. Initial applicability; revenue. (END OF INSERT 11-1) INSERT 11-5 SECTION 9454. Effective dates; workforce development. (END OF INSERT 11-5)

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# DRAFTER'S NOTE FROM THE LEGISLATIVE REFERENCE BUREAU



Erin:

Since you suggested using 2003 Assembly Bill 921 as a starting point, that is what I did, with the two modifications that you mentioned, as well as changing the dates for when DWD must submit reports to the legislature. AB 921 has a bit more detail than the drafting request, but if there is anything else that you want taken out, just let me know.

Although the project is short term, I believe it is drafted in the statutes rather than in a nonstatutory provision in case it becomes a permanent part of W-2, i.e., it would be easier to get rid of the dates than it would be to convert nonstats to stats. Be sure to review s. 227.01 (13) (zL), which excludes anything related to the project from the rule-making process. To tell you the truth, I'm not sure why the exclusion is repealed, unless the (my?) thinking at the time was that the exclusion would no longer apply regardless of whether the project ended for good or became permanent.

Pamela J. Kahler Senior Legislative Attorney Phone: (608) 266–2682

E-mail: pam.kahler@legis.state.wi.us

# DRAFTER'S NOTE FROM THE LEGISLATIVE REFERENCE BUREAU

LRB-0335/P1dn PJK:wlj:rs

October 25, 2004

#### Erin:

Since you suggested using 2003 Assembly Bill 921 as a starting point, that is what I did, with the two modifications that you mentioned, as well as changing the dates for when DWD must submit reports to the legislature. AB–921 has a bit more detail than the drafting request, so if there is anything else that you want taken out, just let me know.

Although the project is short term, (I believe) it is drafted in the statutes rather than in a nonstatutory provision in case it becomes a permanent part of W-2, i.e., it would be easier to get rid of the dates than it would be to convert nonstats to stats. Be sure to review s.  $227.01 \, (13) \, (zL)$ , which excludes anything related to the project from the rule–making process. To tell you the truth, I'm not sure why the exclusion is repealed, unless the (my?) thinking at the time was that the exclusion would no longer apply regardless of whether the project ended for good or became permanent.

Pamela J. Kahler Senior Legislative Attorney Phone: (608) 266–2682

E-mail: pam.kahler@legis.state.wi.us

#### Kahler, Pam

From: Fath, Erin

Sent: Wednesday, January 12, 2005 4:41 PM

To: Kahler, Pam

Subject: Trial Jobs Plus draft

Pam - a few minor changes for this draft:

1. Please delete section 9154 (1) Reports on Trial Jobs Plus Demonstration Project.

2. DWD requests using the term "pilot project" instead of "demonstration project (this is because DWD no longer has a commitment from Manpower Demonstration Research Corporation to evaluate the "demonstration project", so they feel more comfortable calling it a pilot project).

3. I reviewed sections 17 and 18 [s. 227.01 (13)(zL)] and it seems fine to me. I don't think there is a problem with repealing the exclusion; I would agree that the exclusion would no longer apply, regardless of whether the project ends for good or becomes permanent in the future.

#### Other than that, this draft looks great.

DWD may have a few minor changes for LRB drafts 0333 and 0334, but due to the Secretary being out until Saturday, I won't be able to get back to you until this weekend or Monday.

One issue that may come up for draft 0333: Section 1 of the draft amends s. 49.148 (1m)(am) to say that a W-2 agency may not require a participant with a child who is less than 12 weeks to participate in any W-2 employment position. However, those with a child between 12 weeks and 6 months could be required to participate under this language. DWD has indicated that the intent was for W-2 agencies to be able to require participation by those in this latter group for a maximum of 30 hours per week (that number may change), and that non-participation could result in sanctions. Do you think we need to state that explicitly in the draft?

Also, as a head's up: there is a good chance that we'll be changing the initial applicability for this draft, such that all W-2 participants would be subject to the new 6-month age limit on the custodial parent of an infant placement, regardless of when they became eligible for W-2. But I can't say for sure until after this weekend.

Thanks!

#### Erin K. Fath

Wisconsin State Budget Office (608) 266-8219 Erin,Fath@doa.state.wi.us



### State of Misconsin 2005 - 2006 LEGISLATURE

LRB-0335/PA

Jone 1

DOA:.....Fath, BB0117 - W-2 Trial Jobs Plus demonstration project

FOR 2005-07 BUDGET -- NOT READY FOR INTRODUCTION

Arris wx

AN ACT, ; relating to: the budget.

# Analysis by the Legislative Reference Bureau HEALTH AND HUMAN SERVICES

#### WISCONSIN WORKS

The Wisconsin Works (W-2) program under current law provides work experience and benefits for low-income custodial parents who are at least 18 years old, as well as job search assistance to noncustodial parents who are required to pay child support, to minor custodial parents, and to pregnant women who are not custodial parents. Also, an individual who is the parent of a child under the age of 13 or, if the child is disabled, under the age of 19, is eligible for a child care subsidy under the W-2 program if the individual needs child care services to participate in various educational or work activities. The W-2 program, which is funded with federal Temporary Assistance for Needy Families (TANF) block grant moneys, federal child care block grant moneys, and state general purpose revenue, is administered by DWD, which in turn contracts with W-2 agencies to administer the program on the local level.

The work components under W-2, called employment positions, consist of three categories: 1) trial jobs, under which an individual receives at least minimum wage from an employer and the W-2 agency pays a wage subsidy of up to \$300 per month to the employer; 2) community service jobs, under which an individual works in a project that serves a useful public purpose or that will generate revenue to wholly or partially offset the project's cost and receives a monthly grant of up to \$673 from

the W-2 agency; and 3) transitional placements, under which an individual participates in work activities in a community rehabilitation program, a job similar to a community service job, or volunteer activities and receives a monthly grant of up to \$628 from the W-2 agency. Employers for all employment positions must meet criteria established by DWD by rule, and all participants in all employment positions must search for unsubsidized employment the entire time that they are participating in any W-2 employment position. Also under current law, DWD is directed to continue the creation and implementation of a subsidized work program.

This bill eliminates the directive to DWD to continue the creation and implementation of a subsidized work program and requires DWD to conduct, from January 1, 2006, to June 30, 2007, a demonstration project for a trial jobs plus program. The demonstration project must be limited to 1,000 participants and must be conducted in at least one of the geographical areas of the state established for administering the W-2 program that is located in Milwaukee County and in at least two of those geographical areas that are not in Milwaukee County. Under the project, a W-2 agency pays a wage subsidy, as well as reimbursing up to 100 percent of federal social security taxes, state and federal unemployment contributions, and worker's compensation insurance premiums, to an employer that employs a project participant and that agrees to make a good faith effort to retain the participant as an unsubsidized employee after the wage subsidy ends if the participant successfully completes participation in the trial job plus. If the employer does not retain the participant, the employer must serve as an employment reference for the participant or provide a written performance evaluation of the participant, including recommendations for improvement. The wage subsidy may not exceed the federal minimum wage for no more than 30 hours of work per week, and any required training activities are counted toward the participant's work hours. An individual may participate in a trial job plus for up to six months, with a possible three-month extension.

The bill requires DWD, on or about July 1, 2006, January 1, 2007, and September 1, 2007, to submit reports to the legislature that describe the project participants, how many were offered permanent jobs by their trial jobs plus employers, the average cost per participant, a follow-up on the employment status of each participant after he or she leaves the project, and an accounting of the expenditures under the project.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:



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1 49.147 (3) (d) Trial jobs plus demonstration project. The department shall

design and, from January 1, 2006, to June 30, 2007, conduct a demonstration project

3 for a trial jobs plus program that includes the following features:

1. The project is limited to 1,000 participants and is conducted in at least one of the geographical areas established by the department under s. 49.143 (6) that is in Milwaukee County and in at least 2 of those geographical areas that are not in Milwaukee County.

2. Except as otherwise provided in this paragraph, all provisions of the statutes that apply to the trial job program or a trial job under this subsection apply to the demonstration project or a trial job plus under this paragraph, including eligibility requirements.

- 3. An employer that employs a participant under this paragraph and receives a wage subsidy shall agree to make a good faith effort to retain the participant as a permanent unsubsidized employee after the wage subsidy ends if the participant successfully completes participation in the trial job plus. An employer shall also agree that, if the employer does not retain a participant as a permanent unsubsidized employee, the employer will serve as an employment reference for the participant or provide to the Wisconsin Works agency or intermediary under subd. 4. a written performance evaluation of the participant, including recommendations for improvements.
- 4. The Wisconsin Works agency may contract with an intermediary that acts as any of the following:
  - a. A placement agency.
  - b. An employer of record of a participant under this paragraph.

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1	c. A provider of supportive services, including coaching, mentoring, counseling,
2	or job placement services.
3	5. Subject to subd. 3., the Wisconsin Works agency or intermediary under subd.
4	4. pays an employer that employs a participant under this paragraph a monthly

- 4. pays an employer that employs a participant under this paragraph a monthly wage subsidy that does not exceed the federal minimum wage for no more than 30 hours of work per week. In addition, the Wisconsin Works agency or intermediary reimburses the employer for up to 100 percent of all of the following costs that are attributable to employment of the participant:
  - a. Federal social security taxes.
  - b. State and federal unemployment contributions or taxes, if any.
  - c. Worker's compensation insurance premiums, if any.
  - 6. Training activities prescribed by the employer under par. (am) consistent with training provided to other employees at the worksite are considered work for purposes of calculating the wage subsidy.
  - 7. Participation by an individual in a trial job plus is limited to 6 months with a possible extension of up to 3 months.
  - 8. Notwithstanding the ending date for the project, for any participant who is accepted into the program before June 30, 2007, payments under subd. 5. shall be made until the participant completes his or her participation in the trial job plus.
    - **SECTION 2.** 49.148 (1m) (a) of the statutes is amended to read:
  - 49.148 (1m) (a) A custodial parent of a child who is 12 weeks old or less and who meets the eligibility requirements under s. 49.145 (2) and (3) may receive a monthly grant of \$673 unless another adult member of the custodial parent's Wisconsin works Works group is participating in, or is eligible to participate in, a Wisconsin works Works employment position or is employed in unsubsidized

employment, as defined in s. 49.147 (1) (c). A Wisconsin works Works agency may
not require a participant under this subsection to participate in any employment
positions.

(b) 1. Receipt of a grant under this subsection does not constitute participation in a Wisconsin works Works employment position for purposes of the time limits under s. 49.145 (2) (n) or 49.147 (3) (c) or (d) 7., (4) (b), or (5) (b) 2. if the child is born to the participant not more than 10 months after the date that the participant was first determined to be eligible for assistance under s. 49.19 or for a Wisconsin works Works employment position.

**SECTION 3.** 49.148 (1m) (b) of the statutes is renumbered 49.148 (1m) (b) 2. and amended to read:

49.148 (1m) (b) 2. Receipt of a grant under this subsection constitutes participation in a Wisconsin works Works employment position for purposes of the time limits under ss. 49.145 (2) (n) and 49.147 (3) (c) or (d) 7., (4) (b), or (5) (b) 2. if the child is born to the participant more than 10 months after the date that the participant was first determined to be eligible for assistance under s. 49.19 or for a Wisconsin works Works employment position unless the child was conceived as a result of a sexual assault in violation of s. 940.225 (1), (2), or (3) in which the mother did not indicate a freely given agreement to have sexual intercourse or of incest in violation of s. 944.06 or 948.06 and that incest or sexual assault has been reported to a physician and to law enforcement authorities.

**SECTION 4.** 49.155 (1m) (a) 3. of the statutes is amended to read:

49.155 (1m) (a) 3. Work in a Wisconsin works Works employment position, including participation in job search, orientation, and training activities under s.

49.147 (2) (a) and in education or training activities under s. 49.147 (3) (am) or (d),
 (4) (am), or (5) (bm).

**SECTION 5.** 71.07 (2dx) (b) 2. of the statutes is amended to read:

71.07 (2dx) (b) 2. The amount determined by multiplying the amount determined under s. 560.785 (1) (b) by the number of full-time jobs created in a development zone and filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid under s. 49.147 (3) (d) 5. for those jobs.

**SECTION 6.** 71.07 (2dx) (b) 3. of the statutes is amended to read:

71.07 (2dx) (b) 3. The amount determined by multiplying the amount determined under s. 560.785 (1) (c) by the number of full-time jobs created in a development zone and not filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid under s. 49.147 (3) (d) 5. for those jobs.

**SECTION 7.** 71.07 (2dx) (b) 4. of the statutes is amended to read:

71.07 (2dx) (b) 4. The amount determined by multiplying the amount determined under s. 560.785 (1) (bm) by the number of full-time jobs retained, as provided in the rules under s. 560.785, excluding jobs for which a credit has been claimed under sub. (2dj), in an enterprise development zone under s. 560.797 and for which significant capital investment was made and by then subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid under s. 49.147 (3) (d) 5. for those jobs.

**SECTION 8.** 71.07 (2dx) (b) 5. of the statutes is amended to read:

71.07 (2dx) (b) 5. The amount determined by multiplying the amount determined under s. 560.785 (1) (c) by the number of full-time jobs retained, as

provided in the rules under s. 560.785, excluding jobs for which a credit has been claimed under sub. (2dj), in a development zone and not filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid under s. 49.147 (3) (d) 5. for those jobs.

**SECTION 9.** 71.28 (1dx) (b) 2. of the statutes is amended to read:

71.28 (1dx) (b) 2. The amount determined by multiplying the amount determined under s. 560.785 (1) (b) by the number of full-time jobs created in a development zone and filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid under s. 49.147 (3) (d) 5. for those jobs.

**SECTION 10.** 71.28 (1dx) (b) 3. of the statutes is amended to read:

71.28 (1dx) (b) 3. The amount determined by multiplying the amount determined under s. 560.785 (1) (c) by the number of full-time jobs created in a development zone and not filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid under s. 49.147 (3) (d) 5. for those jobs.

**SECTION 11.** 71.28 (1dx) (b) 4. of the statutes is amended to read:

71.28 (1dx) (b) 4. The amount determined by multiplying the amount determined under s. 560.785 (1) (bm) by the number of full-time jobs retained, as provided in the rules under s. 560.785, excluding jobs for which a credit has been claimed under sub. (1dj), in an enterprise development zone under s. 560.797 and for which significant capital investment was made and by then subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid under s. 49.147 (3) (d) 5. for those jobs.

**SECTION 12.** 71.28 (1dx) (b) 5. of the statutes is amended to read:

71.28 (1dx) (b) 5. The amount determined by multiplying the amount determined under s. 560.785 (1) (c) by the number of full-time jobs retained, as provided in the rules under s. 560.785, excluding jobs for which a credit has been claimed under sub. (1dj), in a development zone and not filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid under s. 49.147 (3) (d) 5. for those jobs.

**SECTION 13.** 71.47 (1dx) (b) 2. of the statutes is amended to read:

71.47 (1dx) (b) 2. The amount determined by multiplying the amount determined under s. 560.785 (1) (b) by the number of full-time jobs created in a development zone and filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid under s. 49.147 (3) (d) 5. for those jobs.

**SECTION 14.** 71.47 (1dx) (b) 3. of the statutes is amended to read:

71.47 (1dx) (b) 3. The amount determined by multiplying the amount determined under s. 560.785 (1) (c) by the number of full-time jobs created in a development zone and not filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid under s. 49.147 (3) (d) 5. for those jobs.

**SECTION 15.** 71.47 (1dx) (b) 4. of the statutes is amended to read:

71.47 (1dx) (b) 4. The amount determined by multiplying the amount determined under s. 560.785 (1) (bm) by the number of full-time jobs retained, as provided in the rules under s. 560.785, excluding jobs for which a credit has been claimed under sub. (1dj), in an enterprise development zone under s. 560.797 and for which significant capital investment was made and by then subtracting the

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1	subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid
2	<u>under s. 49.147 (3) (d) 5.</u> for those jobs.
3	<b>SECTION 16.</b> 71.47 (1dx) (b) 5. of the statutes is amended to read:
4	71.47 (1dx) (b) 5. The amount determined by multiplying the amount
5	determined under s. 560.785 (1) (c) by the number of full-time jobs retained, as
6	provided in the rules under s. 560.785, excluding jobs for which a credit has been
7	claimed under sub. (1dj), in a development zone and not filled by a member of a
8	targeted group and by then subtracting the subsidies paid under s. $49.147(3)(a)$ or
9	the subsidies and reimbursements paid under s. 49.147 (3) (d) 5. for those jobs.
10	SECTION 17. 227.01 (13) (zL) of the statutes is created to read:
$\widehat{\Pi}$	227.01 (13) (zL) Relates to the trial jobs plus demonstration project under s.
12	49.147 (3) (d).
13	Section 18. 227.01 (13) (zL) of the statutes, as created by 2005 Wisconsin Act
14	(this act), is repealed.
15	SECTION 19. 2003 Wisconsin Act 33, section 9159 (4f) is repealed.
16	SECTION 9154. Nonstatutory provisions; workforce development.
17	(1) REPORTS ON TRIAL JOBS PLUS DEMONSTRATION PROJECT. On or about July 1,
18	2006, January 1, 2007, and September 1, 2007, the department of workforce
19	development shall submit a report to the legislature in the manner provided under
20	section 13.172 (2) of the statutes that details the following information about the
21	demonstration project under section 49.147 (3) (d) of the statutes, as created by this
22	act:
23	(a) A profile of the participants, including identifiable barriers to their
24	employment.

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1	(b) The success of the Wisconsin Works agencies involved in the project in
2	meeting the performance standards established under section 49.143 (3) of the
3	statutes.
4	(c) The number of participants offered unsubsidized employment by their trial
5	jobs plus employers
6	(d) The average cost per participant placement in a trial job plus.
7	(e) A follow-up on the employment status of each individual after the
8	conclusion of his or her participation in the project, including whether the individual
9	is employed in unsubsidized employment or participating in another job or
10	placement under the Wisconsin Works program.
11	(f) An accounting of expenditures under the project, including administration
12	expenses, intermediary contract costs under section 49.147(3)(d) 4. of the statutes,
13	as created by this act, reimbursements and wage subsidies under section 49.147 (3)
14	(d) 5. of the statutes, as created by this act, and any other project-related expenses.
15	SECTION 9341. Initial applicability; revenue.
16	(1) Development zones tax credits. The treatment of sections $71.07~(2dx)~(b)$
17	2., 3., 4., and 5., 71.28 (1dx) (b) 2., 3., 4., and 5., and 71.47 (1dx) (b) 2., 3., 4., and 5.
18	of the statutes first applies to taxable years beginning on January 1, 2006.
19	Section 9454. Effective dates; workforce development.
20	(1) Trial jobs plus rules exclusion. The repeal of section 227.01 (13) (zL) of

(END)

the statutes takes effect on July 1, 2007.

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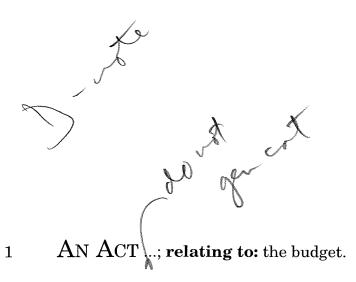


# State of Misconsin 2005 - 2006 LEGISLATURE

LRB-0335/ PJK:wlj:rs

DOA:.....Fath, BB0117 - W-2 Trial Jobs Plus pilot project

FOR 2005-07 BUDGET -- NOT READY FOR INTRODUCTION



# Analysis by the Legislative Reference Bureau HEALTH AND HUMAN SERVICES

#### WISCONSIN WORKS

The Wisconsin Works (W-2) program under current law provides work experience and benefits for low-income custodial parents who are at least 18 years old, as well as job search assistance to noncustodial parents who are required to pay child support, to minor custodial parents, and to pregnant women who are not custodial parents. Also, an individual who is the parent of a child under the age of 13 or, if the child is disabled, under the age of 19, is eligible for a child care subsidy under the W-2 program if the individual needs child care services to participate in various educational or work activities. The W-2 program, which is funded with federal Temporary Assistance for Needy Families (TANF) block grant moneys, federal child care block grant moneys, and state general purpose revenue, is administered by DWD, which in turn contracts with W-2 agencies to administer the program on the local level.

The work components under W-2, called employment positions, consist of three categories: 1) trial jobs, under which an individual receives at least minimum wage from an employer and the W-2 agency pays a wage subsidy of up to \$300 per month to the employer; 2) community service jobs, under which an individual works in a project that serves a useful public purpose or that will generate revenue to wholly or partially offset the project's cost and receives a monthly grant of up to \$673 from

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the W-2 agency; and 3) transitional placements, under which an individual participates in work activities in a community rehabilitation program, a job similar to a community service job, or volunteer activities and receives a monthly grant of up to \$628 from the W-2 agency. Employers for all employment positions must meet criteria established by DWD by rule, and all participants in all employment positions must search for unsubsidized employment the entire time that they are participating in any W-2 employment position. Also under current law, DWD is directed to continue the creation and implementation of a subsidized work program.

This bill eliminates the directive to DWD to continue the creation and implementation of a subsidized work program and requires DWD to conduct, from January 1, 2006, to June 30, 2007, a pilot project for a trial jobs plus program. The pilot project must be limited to 1,000 participants and must be conducted in at least one of the geographical areas of the state established for administering the W-2 program that is located in Milwaukee County and in at least two of those geographical areas that are not in Milwaukee County. Under the project, a W-2 agency pays a wage subsidy, as well as reimbursing up to 100 percent of federal social security taxes, state and federal unemployment contributions, and worker's compensation insurance premiums, to an employer that employs a project participant and that agrees to make a good faith effort to retain the participant as an unsubsidized employee after the wage subsidy ends if the participant successfully completes participation in the trial job plus. If the employer does not retain the participant, the employer must serve as an employment reference for the participant or provide a written performance evaluation of the participant, including recommendations for improvement. The wage subsidy may not exceed the federal minimum wage for no more than 30 hours of work per week, and any required training activities are counted toward the participant's work hours. An individual may participate in a trial job plus for up to six months, with a possible three-month extension.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

# The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

**SECTION 1.** 49.147 (3) (d) of the statutes is created to read:

- 49.147 (3) (d) Trial jobs plus pilot project. The department shall design and, from January 1, 2006, to June 30, 2007, conduct a pilot project for a trial jobs plus program that includes the following features:
- 1. The project is limited to 1,000 participants and is conducted in at least one of the geographical areas established by the department under s. 49.143 (6) that is

- in Milwaukee County and in at least 2 of those geographical areas that are not in Milwaukee County.
  - 2. Except as otherwise provided in this paragraph, all provisions of the statutes that apply to the trial job program or a trial job under this subsection apply to the pilot project or a trial job plus under this paragraph, including eligibility requirements.
  - 3. An employer that employs a participant under this paragraph and receives a wage subsidy shall agree to make a good faith effort to retain the participant as a permanent unsubsidized employee after the wage subsidy ends if the participant successfully completes participation in the trial job plus. An employer shall also agree that, if the employer does not retain a participant as a permanent unsubsidized employee, the employer will serve as an employment reference for the participant or provide to the Wisconsin Works agency or intermediary under subd. 4. a written performance evaluation of the participant, including recommendations for improvements.
  - 4. The Wisconsin Works agency may contract with an intermediary that acts as any of the following:
    - a. A placement agency.
    - b. An employer of record of a participant under this paragraph.
  - c. A provider of supportive services, including coaching, mentoring, counseling, or job placement services.
  - 5. Subject to subd. 3., the Wisconsin Works agency or intermediary under subd.
    4. pays an employer that employs a participant under this paragraph a monthly wage subsidy that does not exceed the federal minimum wage for no more than 30 hours of work per week. In addition, the Wisconsin Works agency or intermediary

- reimburses the employer for up to 100 percent of all of the following costs that are attributable to employment of the participant:
  - a. Federal social security taxes.
  - b. State and federal unemployment contributions or taxes, if any.
  - c. Worker's compensation insurance premiums, if any.
- 6. Training activities prescribed by the employer under par. (am) consistent with training provided to other employees at the worksite are considered work for purposes of calculating the wage subsidy.
- 7. Participation by an individual in a trial job plus is limited to 6 months with a possible extension of up to 3 months.
- 8. Notwithstanding the ending date for the project, for any participant who is accepted into the program before June 30, 2007, payments under subd. 5. shall be made until the participant completes his or her participation in the trial job plus.

SECTION 2. 49.148 (1m) (a) of the statutes is amended to read:

- 49.148 (1m) (a) A custodial parent of a child who is 12 weeks old or less and who meets the eligibility requirements under s. 49.145 (2) and (3) may receive a monthly grant of \$673 unless another adult member of the custodial parent's Wisconsin works Works group is participating in, or is eligible to participate in, a Wisconsin works Works employment position or is employed in unsubsidized employment, as defined in s. 49.147 (1) (c). A Wisconsin works Works agency may not require a participant under this subsection to participate in any employment positions.
- (b) 1. Receipt of a grant under this subsection does not constitute participation in a Wisconsin works Works employment position for purposes of the time limits under s. 49.145 (2) (n) or 49.147 (3) (c) or (d) 7., (4) (b), or (5) (b) 2. if the child is born

SECTION 2

1	to the participant not more than 10 months after the date that the participant was
2	first determined to be eligible for assistance under s. 49.19 or for a Wisconsin works
3	Works employment position.
4	<b>SECTION 3.</b> 49.148 (1m) (b) of the statutes is renumbered 49.148 (1m) (b) 2. and
5	amended to read:
6	49.148 (1m) (b) 2. Receipt of a grant under this subsection constitutes
7	participation in a Wisconsin works Works employment position for purposes of the
8	time limits under ss. 49.145 (2) (n) and 49.147 (3) (c) or (d) 7., (4) (b), or (5) (b) 2. if
9	the child is born to the participant more than 10 months after the date that the
10	participant was first determined to be eligible for assistance under s. 49.19 or for a
11	Wisconsin works Works employment position unless the child was conceived as a
12	result of a sexual assault in violation of s. 940.225 (1), (2), or (3) in which the mother
13	did not indicate a freely given agreement to have sexual intercourse or of incest in
14	violation of s. 944.06 or 948.06 and that incest or sexual assault has been reported
<u>15</u>	to a physician and to law enforcement authorities.
16	SECTION 4. 49.155 (1m) (a) 3. of the statutes is amended to read:
17	49.155 (1m) (a) 3. Work in a Wisconsin works Works employment position,
18	including participation in job search, orientation, and training activities under s.
19	49.147 (2) (a) and in education or training activities under s. 49.147 (3) (am) or (d),
20	(4) (am), or (5) (bm).
21	SECTION 5. 71.07 (2dx) (b) 2. of the statutes is amended to read:

71.07 (2dx) (b) 2. The amount determined by multiplying the amount

determined under s. 560.785 (1) (b) by the number of full-time jobs created in a

development zone and filled by a member of a targeted group and by then subtracting

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the subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid under s. 49.147 (3) (d) 5. for those jobs.

**SECTION 6.** 71.07 (2dx) (b) 3. of the statutes is amended to read:

71.07 (2dx) (b) 3. The amount determined by multiplying the amount determined under s. 560.785 (1) (c) by the number of full-time jobs created in a development zone and not filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid under s. 49.147 (3) (d) 5. for those jobs.

**SECTION 7.** 71.07 (2dx) (b) 4. of the statutes is amended to read:

71.07 (2dx) (b) 4. The amount determined by multiplying the amount determined under s. 560.785 (1) (bm) by the number of full-time jobs retained, as provided in the rules under s. 560.785, excluding jobs for which a credit has been claimed under sub. (2dj), in an enterprise development zone under s. 560.797 and for which significant capital investment was made and by then subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid under s. 49.147 (3) (d) 5. for those jobs.

**SECTION 8.** 71.07 (2dx) (b) 5. of the statutes is amended to read:

71.07 (2dx) (b) 5. The amount determined by multiplying the amount determined under s. 560.785 (1) (c) by the number of full-time jobs retained, as provided in the rules under s. 560.785, excluding jobs for which a credit has been claimed under sub. (2dj), in a development zone and not filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid under s. 49.147 (3) (d) 5. for those jobs.

**SECTION 9.** 71.28 (1dx) (b) 2. of the statutes is amended to read:

71.28 (1dx) (b) 2. The amount determined by multiplying the amount determined under s. 560.785 (1) (b) by the number of full-time jobs created in a development zone and filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid under s. 49.147 (3) (d) 5. for those jobs.

**SECTION 10.** 71.28 (1dx) (b) 3. of the statutes is amended to read:

71.28 (1dx) (b) 3. The amount determined by multiplying the amount determined under s. 560.785 (1) (c) by the number of full-time jobs created in a development zone and not filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid under s. 49.147 (3) (d) 5. for those jobs.

**SECTION 11.** 71.28 (1dx) (b) 4. of the statutes is amended to read:

71.28 (1dx) (b) 4. The amount determined by multiplying the amount determined under s. 560.785 (1) (bm) by the number of full-time jobs retained, as provided in the rules under s. 560.785, excluding jobs for which a credit has been claimed under sub. (1dj), in an enterprise development zone under s. 560.797 and for which significant capital investment was made and by then subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid under s. 49.147 (3) (d) 5. for those jobs.

**SECTION 12.** 71.28 (1dx) (b) 5. of the statutes is amended to read:

71.28 (1dx) (b) 5. The amount determined by multiplying the amount determined under s. 560.785 (1) (c) by the number of full-time jobs retained, as provided in the rules under s. 560.785, excluding jobs for which a credit has been claimed under sub. (1dj), in a development zone and not filled by a member of a

SECTION 12

targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) on
the subsidies and reimbursements paid under s. 49.147 (3) (d) 5. for those jobs.

**SECTION 13.** 71.47 (1dx) (b) 2. of the statutes is amended to read:

71.47 (1dx) (b) 2. The amount determined by multiplying the amount determined under s. 560.785 (1) (b) by the number of full-time jobs created in a development zone and filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid under s. 49.147 (3) (d) 5. for those jobs.

**SECTION 14.** 71.47 (1dx) (b) 3. of the statutes is amended to read:

71.47 (1dx) (b) 3. The amount determined by multiplying the amount determined under s. 560.785 (1) (c) by the number of full-time jobs created in a development zone and not filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid under s. 49.147 (3) (d) 5. for those jobs.

**SECTION 15.** 71.47 (1dx) (b) 4. of the statutes is amended to read:

71.47 (1dx) (b) 4. The amount determined by multiplying the amount determined under s. 560.785 (1) (bm) by the number of full-time jobs retained, as provided in the rules under s. 560.785, excluding jobs for which a credit has been claimed under sub. (1dj), in an enterprise development zone under s. 560.797 and for which significant capital investment was made and by then subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid under s. 49.147 (3) (d) 5, for those jobs.

**SECTION 16.** 71.47 (1dx) (b) 5. of the statutes is amended to read:

71.47 (1dx) (b) 5. The amount determined by multiplying the amount determined under s. 560.785 (1) (c) by the number of full-time jobs retained, as

provided in the rules under s. 560.785, excluding jobs for which a credit has been
claimed under sub. (1dj), in a development zone and not filled by a member of a
targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or
the subsidies and reimbursements paid under s. 49.147 (3) (d) 5. for those jobs.
SECTION 17. 227.01 (13) (zL) of the statutes is created to read:
227.01 (13) (zL) Relates to the trial jobs plus pilot project under s. 49.147 (3)
(d).
Section 18. 227.01 (13) (zL) of the statutes, as created by 2005 Wisconsin Act
(this act), is repealed.
SECTION 19. 2003 Wisconsin Act 33, section 9159 (4f) is repealed.
SECTION 9341. Initial applicability; revenue.
(1) Development zones tax credits. The treatment of sections 71.07 (2dx) (b)
2., 3., 4., and 5., 71.28 (1dx) (b) 2., 3., 4., and 5., and 71.47 (1dx) (b) 2., 3., 4., and 5.
of the statutes first applies to taxable years beginning on January 1, 2006.
Section 9454. Effective dates; workforce development.
(1) Trial jobs plus rules exclusion. The repeal of section 227.01 (13) (zL) of
the statutes takes effect on July 1, 2007.
(END)

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# DRAFTER'S NOTE FROM THE LEGISLATIVE REFERENCE BUREAU

LRB-0335/2dn PJK:wlj:rs<sub>7</sub>

### Erin:

This draft reconciles LRB-0333, LRB-0334, and LRB-0335 by removing the treatment of s. 49.148 (1m) (a) and (b) from this draft. Since I am incorporating LRB-0333 into LRB-0334, all of these drafts, except LRB-0333, should continue to appear in the compiled bill. LRB-0333 should be dropped from the compile.

Even though the trial jobs plus is a pilot project, it takes effect immediately, so I did not delay, or repeal, the change that this draft added (a cross-reference to s. 49.147 (3) (d) 7. in s. 49.148 (1m) (b) (intro.), created in LRB-0334).

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# DRAFTER'S NOTE FROM THE LEGISLATIVE REFERENCE BUREAU

LRB-0335/2dn PJK:wlj:pg

January 27, 2005

#### Erin:

This draft reconciles LRB-0333, LRB-0334, and LRB-0335 by removing the treatment of s. 49.148 (1m) (a) and (b) from this draft. Since I am incorporating LRB-0333 into LRB-0334, all of these drafts, except LRB-0333, should continue to appear in the compiled bill. LRB-0333 should be dropped from the compile.

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## State of Misconsin 2005 - 2006 LEGISLATURE

LRB-0335/2 PJK:wlj:pg

DOA:.....Fath, BB0117 - W-2 Trial Jobs Plus pilot project

FOR 2005-07 BUDGET -- NOT READY FOR INTRODUCTION

AN ACT ...; relating to: the budget.

# Analysis by the Legislative Reference Bureau HEALTH AND HUMAN SERVICES

### WISCONSIN WORKS

The Wisconsin Works (W-2) program under current law provides work experience and benefits for low-income custodial parents who are at least 18 years old, as well as job search assistance to noncustodial parents who are required to pay child support, to minor custodial parents, and to pregnant women who are not custodial parents. Also, an individual who is the parent of a child under the age of 13 or, if the child is disabled, under the age of 19, is eligible for a child care subsidy under the W-2 program if the individual needs child care services to participate in various educational or work activities. The W-2 program, which is funded with federal Temporary Assistance for Needy Families (TANF) block grant moneys, federal child care block grant moneys, and state general purpose revenue, is administered by DWD, which in turn contracts with W-2 agencies to administer the program on the local level.

The work components under W-2, called employment positions, consist of three categories: 1) trial jobs, under which an individual receives at least minimum wage from an employer and the W-2 agency pays a wage subsidy of up to \$300 per month to the employer; 2) community service jobs, under which an individual works in a project that serves a useful public purpose or that will generate revenue to wholly or partially offset the project's cost and receives a monthly grant of up to \$673 from

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the W-2 agency; and 3) transitional placements, under which an individual participates in work activities in a community rehabilitation program, a job similar to a community service job, or volunteer activities and receives a monthly grant of up to \$628 from the W-2 agency. Employers for all employment positions must meet criteria established by DWD by rule, and all participants in all employment positions must search for unsubsidized employment the entire time that they are participating in any W-2 employment position. Also under current law, DWD is directed to continue the creation and implementation of a subsidized work program.

This bill eliminates the directive to DWD to continue the creation and implementation of a subsidized work program and requires DWD to conduct, from January 1, 2006, to June 30, 2007, a pilot project for a trial jobs plus program. The pilot project must be limited to 1,000 participants and must be conducted in at least one of the geographical areas of the state established for administering the W-2 program that is located in Milwaukee County and in at least two of those geographical areas that are not in Milwaukee County. Under the project, a W-2 agency pays a wage subsidy, as well as reimbursing up to 100 percent of federal social security taxes, state and federal unemployment contributions, and worker's compensation insurance premiums, to an employer that employs a project participant and that agrees to make a good faith effort to retain the participant as an unsubsidized employee after the wage subsidy ends if the participant successfully completes participation in the trial job plus. If the employer does not retain the participant, the employer must serve as an employment reference for the participant or provide a written performance evaluation of the participant, including recommendations for improvement. The wage subsidy may not exceed the federal minimum wage for no more than 30 hours of work per week, and any required training activities are counted toward the participant's work hours. An individual may participate in a trial job plus for up to six months, with a possible three-month extension.

For further information see the **state** fiscal estimate, which will be printed as an appendix to this bill.

## The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

**SECTION 1.** 49.147 (3) (d) of the statutes is created to read:

- 49.147 (3) (d) Trial jobs plus pilot project. The department shall design and, from January 1, 2006, to June 30, 2007, conduct a pilot project for a trial jobs plus program that includes the following features:
- 1. The project is limited to 1,000 participants and is conducted in at least one of the geographical areas established by the department under s. 49.143 (6) that is

- in Milwaukee County and in at least 2 of those geographical areas that are not in Milwaukee County.
  - 2. Except as otherwise provided in this paragraph, all provisions of the statutes that apply to the trial job program or a trial job under this subsection apply to the pilot project or a trial job plus under this paragraph, including eligibility requirements.
  - 3. An employer that employs a participant under this paragraph and receives a wage subsidy shall agree to make a good faith effort to retain the participant as a permanent unsubsidized employee after the wage subsidy ends if the participant successfully completes participation in the trial job plus. An employer shall also agree that, if the employer does not retain a participant as a permanent unsubsidized employee, the employer will serve as an employment reference for the participant or provide to the Wisconsin Works agency or intermediary under subd. 4. a written performance evaluation of the participant, including recommendations for improvements.
  - 4. The Wisconsin Works agency may contract with an intermediary that acts as any of the following:
    - a. A placement agency.
    - b. An employer of record of a participant under this paragraph.
  - c. A provider of supportive services, including coaching, mentoring, counseling, or job placement services.
  - 5. Subject to subd. 3., the Wisconsin Works agency or intermediary under subd. 4. pays an employer that employs a participant under this paragraph a monthly wage subsidy that does not exceed the federal minimum wage for no more than 30 hours of work per week. In addition, the Wisconsin Works agency or intermediary

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SECTION 1

reimburses the employer for up to 100 percent of all of the following costs that are
attributable to employment of the participant:
a. Federal social security taxes.
b. State and federal unemployment contributions or taxes, if any.
c. Worker's compensation insurance premiums, if any.
6. Training activities prescribed by the employer under par. (am) consistent
with training provided to other employees at the worksite are considered work for
purposes of calculating the wage subsidy.
7. Participation by an individual in a trial job plus is limited to 6 months with
a possible extension of up to 3 months.
8. Notwithstanding the ending date for the project, for any participant who is
accepted into the program before June 30, 2007, payments under subd. 5. shall be
made until the participant completes his or her participation in the trial job plus.
Section 2. 49.155 (1m) (a) 3. of the statutes is amended to read:
49.155 (1m) (a) 3. Work in a Wisconsin works Works employment position,
including participation in job search, orientation, and training activities under s.
49.147 (2) (a) and in education or training activities under s. $49.147$ (3) (am) or (d),
(4) (am), or (5) (bm).
Section 3. 71.07 (2dx) (b) 2. of the statutes is amended to read:
71.07 (2dx) (b) 2. The amount determined by multiplying the amount
determined under s. 560.785 (1) (b) by the number of full-time jobs created in a
development zone and filled by a member of a targeted group and by then subtracting
the subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid

**Section 4.** 71.07 (2dx) (b) 3. of the statutes is amended to read:

under s. 49.147(3)(d)5. for those jobs.

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71.07 (2dx) (b) 3. The amount determined by multiplying the amount determined under s. 560.785 (1) (c) by the number of full-time jobs created in a development zone and not filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid under s. 49.147 (3) (d) 5. for those jobs.

**SECTION 5.** 71.07 (2dx) (b) 4. of the statutes is amended to read:

71.07 (2dx) (b) 4. The amount determined by multiplying the amount determined under s. 560.785 (1) (bm) by the number of full-time jobs retained, as provided in the rules under s. 560.785, excluding jobs for which a credit has been claimed under sub. (2dj), in an enterprise development zone under s. 560.797 and for which significant capital investment was made and by then subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid under s. 49.147 (3) (d) 5. for those jobs.

**SECTION 6.** 71.07 (2dx) (b) 5. of the statutes is amended to read:

71.07 (2dx) (b) 5. The amount determined by multiplying the amount determined under s. 560.785 (1) (c) by the number of full-time jobs retained, as provided in the rules under s. 560.785, excluding jobs for which a credit has been claimed under sub. (2dj), in a development zone and not filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid under s. 49.147 (3) (d) 5. for those jobs.

**SECTION 7.** 71.28 (1dx) (b) 2. of the statutes is amended to read:

71.28 (1dx) (b) 2. The amount determined by multiplying the amount determined under s. 560.785 (1) (b) by the number of full-time jobs created in a development zone and filled by a member of a targeted group and by then subtracting

the subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid under s. 49.147 (3) (d) 5. for those jobs.

**SECTION 8.** 71.28 (1dx) (b) 3. of the statutes is amended to read:

71.28 (1dx) (b) 3. The amount determined by multiplying the amount determined under s. 560.785 (1) (c) by the number of full-time jobs created in a development zone and not filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid under s. 49.147 (3) (d) 5. for those jobs.

**SECTION 9.** 71.28 (1dx) (b) 4. of the statutes is amended to read:

71.28 (1dx) (b) 4. The amount determined by multiplying the amount determined under s. 560.785 (1) (bm) by the number of full-time jobs retained, as provided in the rules under s. 560.785, excluding jobs for which a credit has been claimed under sub. (1dj), in an enterprise development zone under s. 560.797 and for which significant capital investment was made and by then subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid under s. 49.147 (3) (d) 5. for those jobs.

**SECTION 10.** 71.28 (1dx) (b) 5. of the statutes is amended to read:

71.28 (1dx) (b) 5. The amount determined by multiplying the amount determined under s. 560.785 (1) (c) by the number of full-time jobs retained, as provided in the rules under s. 560.785, excluding jobs for which a credit has been claimed under sub. (1dj), in a development zone and not filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid under s. 49.147 (3) (d) 5. for those jobs.

**SECTION 11.** 71.47 (1dx) (b) 2. of the statutes is amended to read:

71.47 (1dx) (b) 2. The amount determined by multiplying the amount determined under s. 560.785 (1) (b) by the number of full-time jobs created in a development zone and filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid under s. 49.147 (3) (d) 5. for those jobs.

**SECTION 12.** 71.47 (1dx) (b) 3. of the statutes is amended to read:

71.47 (1dx) (b) 3. The amount determined by multiplying the amount determined under s. 560.785 (1) (c) by the number of full-time jobs created in a development zone and not filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid under s. 49.147 (3) (d) 5. for those jobs.

**SECTION 13.** 71.47 (1dx) (b) 4. of the statutes is amended to read:

71.47 (1dx) (b) 4. The amount determined by multiplying the amount determined under s. 560.785 (1) (bm) by the number of full-time jobs retained, as provided in the rules under s. 560.785, excluding jobs for which a credit has been claimed under sub. (1dj), in an enterprise development zone under s. 560.797 and for which significant capital investment was made and by then subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid under s. 49.147 (3) (d) 5. for those jobs.

**SECTION 14.** 71.47 (1dx) (b) 5. of the statutes is amended to read:

71.47 (1dx) (b) 5. The amount determined by multiplying the amount determined under s. 560.785 (1) (c) by the number of full-time jobs retained, as provided in the rules under s. 560.785, excluding jobs for which a credit has been claimed under sub. (1dj), in a development zone and not filled by a member of a

1	targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or
2	the subsidies and reimbursements paid under s. 49.147 (3) (d) 5. for those jobs.
3	SECTION 15. 227.01 (13) (zL) of the statutes is created to read:
4	227.01 (13) (zL) Relates to the trial jobs plus pilot project under s. 49.147 (3)
5	(d).
6	Section 16. 227.01 (13) (zL) of the statutes, as created by 2005 Wisconsin Act
7	(this act), is repealed.
8	SECTION 17. 2003 Wisconsin Act 33, section 9159 (4f) is repealed.
9	SECTION 9341. Initial applicability; revenue.
10	(1) Development zones tax credits. The treatment of sections 71.07 (2dx) (b)
11	2.,3.,4.,and5.,71.28(1dx)(b)2.,3.,4.,and5.,and71.47(1dx)(b)2.,3.,4.,and5.
12	of the statutes first applies to taxable years beginning on January 1, 2006.
13	Section 9454. Effective dates; workforce development.
14	(1) Trial jobs plus rules exclusion. The repeal of section 227.01 (13) (zL) of
15	the statutes takes effect on July 1, 2007.
16	(END)